

**From:** jrobertson@union-bank.net on 05/03/2005 04:56:25 PM

**Subject:** EGRPRA

Federal Banking Regulatory Agencies:

Thank you for the opportunity to share our comments on the Bank Secrecy Act and related regulations. We are a community bank, the only locally owned bank in a small town in Arkansas. We have been providing banking services to our customers for over fifty years; our customers are our friends, neighbors and relatives. The increased amount of resources we have been required to commit to BSA compliance has impacted the services we provide: we have just recently made the decision to cease the sale of official checks and traveler's checks to non-customers due to record-keeping requirements.

We believe that the current limits of \$10,000 for currency transactions and \$3,000 for monetary instruments need to be increased. These amounts no longer are "large" cash transactions and increase the number of reports we must file. We have a business customer that is ineligible for exemption; he has made deposits every Monday morning for at least the last five years for his weekend business receipts and every Monday we complete a CTR. This repetitive filing of CTR's for amounts just over \$10,000 surely adds to the backlog of reports awaiting review.

We review all of our exempt accounts annually; both examiners and the internal auditor request documentation of this review. We feel that this is more than sufficient and should eliminate the need for the biannual filing for Phase II exempt customers.

We have, as required, reviewed our customers and accounts to determine which should be classified as "high-risk" (according to the definition of high risk accounts) and monitored for suspicious activity and money laundering. Guidance from the agencies would be most helpful in determining what constitutes suspicious activity that should be reported and is a genuine cause for concern.

Money Service Business: Please don't force us to be regulators! We simply don't feel it is our responsibility to determine if our MSB customer has been registered with FINCEN, to do a risk assessment of our customer, review their money laundering program and their internal procedures. If the government feels this level of scrutiny is necessary for MSB's (and we include local businesses that provide check cashing services to their customers that may qualify them as an MSB), the government should be conducting the review and the MSB should be responsible for reporting. The bank should not be in the middle of this process.

Regulation D: Please allow us to be competitive in the marketplace and eliminate the restrictions on the payment of interest and transfers.

Again, we appreciate the opportunity to comment on these areas of concern.

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